

NO. OF PAGES 8

25X1

NO. OF ENCLS.  
(LISTED BELOW)

25X1

**SUPPLEMENT TO  
REPORT NO.**

THIS IS UNEVALUATED INFORMATION FOR THE RESEARCH  
USE OF TRAINED INTELLIGENCE ANALYSTS

25X1

1. Q. Enumerate specific plans and achievements under the Yugoslav Government's five year plan. What new industries, research laboratories, educational institutions, and other enterprises have been initiated under this plan? Can you give the name, location, size, and importance of each enterprise?

A. I have never been connected in any official capacity with the plan and am only familiar with what was printed in the papers for propaganda purposes during the short period between the publication of the plan and my departure from Yugoslavia. Educational institutions are given considerable publicity and there should be no difficulty in ascertaining the data asked. As to the other information desired -- name, location, organization and functioning of the new industrial enterprises -- it could be secured from the material given to the public, if the study of such is combined with the study of speeches and statements of the leaders, the respective laws, administrative orders, decrees, instructions for implementation, and official interpretation of the enacted measures. Moreover, some interesting data for plants could be secured too.
2. Q. Indicate any specific instances of co-ordinating this five year plan in Yugoslavia with the economies of the satellite countries, particularly Bulgaria (for agrarian and military planning), and Czechoslovakia (for industrial planning).

A. It seems to me that the exchange of goods with Czechoslovakia is, or at least was, the result of arrangements for the exchange of specified commodities, where each party pursued its own interests, always anxious not to be taken in by the other. Actually, complaints could be heard that the Czechs were very hard to deal with, that they were penny-catchers, mercenary, and even the word sabotage was often mentioned. So, although the deliveries did in the end benefit the respective plans, and, because of the great quantities involved, did result in an adaptation of economies, I do not believe that the two plans were studied together, nor that sacrifices were made or promised in order to achieve a better co-ordination. I do not believe that the official representatives of the Czech Government were even told what the Yugoslav plan when translated into normal language actually meant. Was not Mr. Louschman Minister of Industry in Czechoslovakia, and is it probable that he would be the person to be let into the sacred secret?

**SECRET**

STATE	Navy	AIR	NEED	DISTRIBUTION
ARMY				

~~SECRET~~

25X1

- 2 -

177125

The so called "Investment agreement" with Hungary is the nearest thing to co-ordinated economies, because the relatively vast amount of goods to be exchanged at dates determined in the agreement, must result in co-ordinated economies, even if the will of the parties would not be directed to that end. As a matter of fact, the negotiations started on the initiative of the Yugoslav Government, which put considerable pressure behind its expressed will. The agreement was nearly finished before the putsch, and would have been signed even without it.

I have no knowledge concerning possible co-ordination of Yugoslavia's five year plan with Bulgaria's economy.

3. Q. Did Soviet officials participate in the planning and supervising of the Yugoslav five year plan? Indicate also any specific instances when Yugoslav technicians went to Russia to absorb training for the five year plan.
- A. I have heard that there was a Soviet instructor in the Central Statistical Institute but that he left. There is a Soviet member in the mixed Danube Navigation Company and possibly one or more in the mixed Airways Company. There may be others in similar agencies but I have no positive knowledge of their presence. I do not know whether Yugoslav technicians were sent to the USSR to absorb training for the five year plan; I know, however, that workers of other types were.

- end -

~~SECRET~~~~SECRET~~